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SUBJECT: TORIES POISED FOR MODEST GAINS IN QUEBEC

REF: A) Montreal 246

11. (SBU) Summary: With a fall federal election all but certain, our English and French-speaking contacts in Montreal told us that the Conservatives are well-positioned to add to their eleven seats in Quebec. They downplayed the possibility of a major breakthrough, however, and said that seat changes in Quebec would be minor. Overall, they said that the election is more likely to be decided in neighboring Ontario province. This cable complements Montreal's report on two ongoing federal by-election campaigns in Quebec scheduled for September 8 (Ref. A). End summary

ELECTION COUNTDOWN

12. (SBU) Canada is on an election countdown. Although an election could come at any time, most observers expect the Governor General to dissolve Parliament between September 5 and 7 for Election Day on October 14. The PM will likely cite opposition obstruction in Parliament and uncertain economic times as the basis for seeking a new mandate. Opposition parties accuse the Conservatives of rushing to the polls in the belief that their chances of winning are better now than if they wait while the economy deteriorates. Recent national and Quebec polls suggest that the Conservatives may be poised to make gains. The launch of a national campaign would cancel three federal by-elections already in progress (including two in the Montreal-area ridings of Westmount-Ville Marie and Saint-Lambert) scheduled for September 8, and a fourth scheduled for September 22. An early election would also override Harper's own legislation passed in 2007 introducing fixed-date elections on four year terms with the first such election set for October 19, 2009.

CONSERVATIVES POISED FOR GAINS?

- 13. (SBU) At almost 31 months, Harper's Conservative government is the second-longest serving minority government in Canadian history. As a result, our contacts said that Quebecers are unlikely to punish the Conservatives for pre-empting their fixed-date election law. Further, many of our contacts said that the Conservatives are well-positioned to wrest at least five seats from the Bloc Quebecois in rural Quebec (including in the Eastern Townships region and neighboring ridings close to those they already hold outside Quebec City) to add to the eleven the Conservatives currently hold in the province. Our contacts believed that the Conservatives are increasingly emerging as the primary federalist alternative to the Bloc outside Montreal, but they agreed that the Conservatives will continue to be shut out of the island of Montreal which remains a Liberal fortress.
- 14. (SBU) Overall, however, the majority of our interlocutors downplayed prospects for a major Conservative breakthrough in the province, arguing that Quebecers support a continued strong role for the Bloc in Ottawa and are comfortable with the minority status quo. Consequently, many said they believed that the Bloc would hold most of its current 48 seats with only minor slippage. Nonetheless, one well-connected Conservative insider refused to rule out greater gains, noting that historically Quebec rural seats have shown they

can shift "en masse" and, once they begin to move, could "fall like dominoes." In contrast, the majority of our contacts saw no chance of any movement for the Liberals whom they believed would hold their 11 seats on the island of Montreal, but make no inroads outside the metropolitan area.

- 15. (SBU) Several of our contacts said that neither the Conservatives nor the Liberals have effective organizations on the ground. One Qnor the Liberals have effective organizations on the ground. One Conservative insider noted that the Conservatives would probably get help from the right-leaning provincial Action Democratique du Quebec (ADQ) in rural Quebec, although he acknowledged that the usefulness of that help has dwindled with the ADQ's poll numbers. He noted that the Conservatives could also benefit from discreet support from the provincial Liberal Party in suburban ridings (such as in the Saint-Lambert by-election on Montreal's south shore), where the provincial party may be prepared to work for whichever federal Liberal or Conservative candidate had the best chance of defeating the Bloc.
- 16. (SBU) Many of our contacts agreed that the federal Liberals have not rebuilt their organization after it was hollowed out by the sponsorship scandal, but affirmed that their support remains solid on the island of Montreal. They noted that PM Harper's Quebec cabinet ministers have not been strong performers, including Heritage Minister Josee Verner and former Foreign Affairs Minister Maxime Bernier, although none were likely to lose their seats. Transport Minister Lawrence Cannon was probably the most solid performer. In particular, International Trade Minister Michel Fortier an appointed senator who has committed to run in the Montreal—area riding of Vaudreuil—Soulanges in the next election has not been a key player and is highly unlikely to win his seat.

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THE ECONOMY TRUMPS THE ENVIRONMENT

17. (SBU) The economy and pocket-book concerns, especially rising gas prices, appear to be the major ballot box issues for Quebecers. They are the staunchest supporters in Canada of the Kyoto Protocol, but many of our contacts asserted that the federal Liberals' Green Shift plan had gained no more traction in Quebec than in the rest of the country. Many of them seemed to agree that Quebecers neither understand Green Shift nor believe it is suited to the province. Many strenuously refuted the argument -- common in western Canada -- that the Green Shift was designed to appeal to Quebec and central Canada. Many of our interlocutors said that Quebecers neither asked for the Green Shift, nor are grateful for it, underlining that the federal Liberals should expect no reward. Moreover, they noted that Liberal leader Stephane Dion had failed to distinguish himself sufficiently from the Conservatives on any issue except the environment, and had had little to say on the economy.

STATUS QUO IS FINE

18. (SBU) Overall, Quebecers seem relatively satisfied with the status quo and would endorse a second minority Conservative government, according to the majority opinion of our contacts with whom we spoke recently. One noted that "minorities mean goodies" and that Quebecers enjoy the benefit of the Bloc Quebecois's vocal advocacy in Ottawa and of a federal government eager to win seats in the province. Our contacts also expressed agreement that the Bloc, which rode a wave of public anger over the sponsorship scandal in the 2004 and 2006 elections, would be hard pressed to repeat these successes. Many predicted that shifts in Quebec seats would be minor and not enough to make the difference between a majority and minority government. Our contacts' insights were largely supported by a CROP poll in Quebec on August 27 that suggested that Conservative support had risen to 31 percent to 30 percent for the Bloc Quebecois, largely due to the weakness of the federal Liberals than enthusiasm for the Conservatives. As a result, it suggested that the Bloc could lose marginal seats where three-way races had split the federalist vote.

¶9. (SBU) Comment: In the absence of a galvanizing issue in a federal election campaign, and the likelihood that seat changes will be minimal, Montreal contacts characterized the coming election campaign as "a bit of a side-show" and more likely to be an exercise in "clearing the air" than a debate that resonates with Quebecers. They expected that the key electoral battleground would be in neighboring seat-rich Ontario where a large number of swing ridings make the election outcome unpredictable. However, Quebec voters have a history of confounding predictions — including the Conservatives' unexpected gain of ten seats in the 2006 election — and much will depend on the election campaign itself and the performance of the party leaders. WILKINS